Agricultural Land Commission

2004/05
Annual Service Plan Report

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For more information on the British Columbia Agricultural Land Commission, contact:

or visit our Website at
http://www.alc.gov.bc.ca/ *

Published by the Agricultural Land Commission

* *Refer to note on page 3.*

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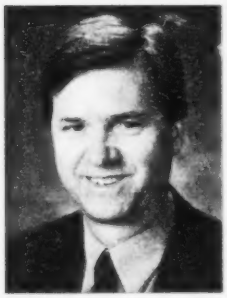
PLEASE NOTE: On June 16, 2005, the government ministries were re-organized to reflect the new cabinet responsibilities. Many of the website addresses and links in this printed report may have changed following the government re-organization.

- A list of the new ministries is available on the government website at http://www.gov.bc.ca — follow the links to Ministries and Organizations.
- An index of all 2004/05 Annual Service Plan Reports, with up-to-date website links, is available online at http://www.bcbudget.gov.bc.ca/annualreports/ .



Message from the Minister and Accountability Statement

I am pleased to present the 2004/05 Annual Service Plan Report for the Agricultural Land Commission. The past year represents the government's continuing commitment to the preservation of the province's limited supply of agricultural land through the Agricultural Land Reserve.

The Commission has invested significant effort over the past year in improving its responsiveness to regional and community values and interests. The six regional panels of the Commission traveled extensively within their regions, meeting with local governments, applicants and stakeholders, and applying their knowledge of their regions to improve the responsiveness and quality of decisions.

The recognition of community interests and needs in the decision-making process is evidence of the Commission's commitment to building on the partnership it has developed with local governments.

The 2004/05 Agricultural Land Commission Annual Service Plan Report compares the actual results to the expected results identified in the ministry's 2004/05 Service Plan. I am accountable for those results as reported.

George Abbott

Honourable George Abbott
Minister of Sustainable Resource Management

June 15, 2005

Highlights of the Year

The Agricultural Land Commission achieved the following key results in 2004/05:

1. The Commission received 541 applications. 100 were to exclude land from the Agricultural Land Reserve, 46 to include land, 324 for subdivision or non-farm use within the ALR and 71 applications of other types. This represents a 17 per cent increase in the number of applications from the previous year.
2. The Commission was involved in the review of 52 local government plans and by-laws of various types, including 31 official community plans and 11 zoning by-laws.
3. First Nations have been provided with powers and obligations similar to those of local governments made possible by amendments to the *Agricultural Land Commission Act* and the *Agricultural Land Reserve Use, Subdivision and Procedure Regulation*.

Commission Role and Services

Vision, Mission and Values

Vision

A land base in British Columbia reserved for farming.

Mission

Preserve agricultural land and encourage and enable farm businesses throughout British Columbia.

Values

The Commission is committed to the following values:

- **Integration** — Policies and programs foster long-term sustainability by considering a range of economic, social and environmental values.
- **Accountability and fairness** — The Commission sets performance standards, monitors compliance and reports on progress. The Commission acts fairly and in the public interest.
- **Transparency** — The Commission establishes open processes; the bases of all decisions are public information.
- **Science and knowledge** — Agricultural Land Reserve boundaries and decisions are based on biophysical criteria, local knowledge and site specific circumstances.
- **Responsiveness** — In carrying out its responsibilities, the Commission considers the needs of farmers, landowners, applicants, First Nations, local governments and others.
- **Shared Responsibility** —The Commission strives to develop positive working relationships with local governments, First Nations and others and to ensure consultation with all stakeholders in its decisions and activities.
- **Certainty** — The Commission makes clear and timely decisions within a predictable and understandable regulatory framework.

Commission Overview

The Agricultural Land Commission is the provincial agency responsible for administering the Agricultural Land Reserve (ALR), a provincial land use zone in favour of agriculture. The purposes of the Commission are:

(a) to preserve agricultural land;

(b) to encourage farming on agricultural land in collaboration with other communities of interest; and

(c) to encourage local governments, First Nations, the government and its agents to enable and accommodate farm use of agricultural land and uses compatible with agriculture in their plans, bylaws and policies.

The *Agricultural Land Commission Act* sets out processes for land use approvals including the inclusion or removal of land from the ALR and non-farm uses and subdivisions of land within the ALR. The Act is supported by the Agricultural Land Reserve Use, Subdivision and Procedure Regulation, which details procedures for applications and defines permitted land uses and land subdivisions within the ALR.

The Act is administered by a government-appointed Commission consisting of 19 members including a Chair. The Commission operates as six panels for geographical regions of the province, including:

Island Panel — responsible for the Alberni-Clayoquot, Capital, Comox-Strathcona, Cowichan Valley, Mount Waddington and Nanaimo Regional Districts and the Islands Trust.

South Coastal Panel — responsible for the Fraser Valley, Greater Vancouver, Powell River, Squamish-Lillooet and Sunshine Coast Regional Districts.

Okanagan Panel — responsible for the Central Okanagan, Columbia Shuswap, North Okanagan and Okanagan-Similkameen Regional Districts.

Kootenay Panel — responsible for the Central Kootenay, East Kootenay and Kootenay-Boundary Regional Districts.

Interior Panel — responsible for the Cariboo, Central Coast and Thompson-Nicola Regional Districts.

North Panel — responsible for the Bulkley-Nechako, Fraser-Fort George, Kitimat-Stikine, Northern Rockies, Peace River and Skeena-Queen Charlotte Regional Districts.

Each panel has three members including a Vice-chair. The Commission is supported by a staff of 20 full time equivalent employees (FTE's).

The business of the Commission is carried out through three functional areas:

Land Use Planning and Application Processing

The Commission reviews and decides applications under the *Agricultural Land Commission Act* and enforces compliance with the Act and regulations. In addition to deciding land use applications under the Act, the Commission reviews plans and bylaws of local governments and other agencies to ensure that the ALR is properly identified and that the policies are supportive of the ALR and farmland preservation. The Commission works with many stakeholders including individuals, farm organizations, local governments and First Nations to support farm development and to remove unnecessary obstacles to farm expansion in their areas.

Strategic Planning and Corporate Policy

The Commission develops strategies, plans and policies to achieve the goals and objectives set out in the Service Plan. The Commission also participates in the agricultural planning and policy initiatives of other ministries, agencies and local governments.

Administration and Information Systems

The above two functions are supported by an administration, records management and information systems unit. This includes maintenance of an application database and ALR maps for the province.

Commission Operating Context

The Commission is accountable to the Minister of Sustainable Resource Management and utilizes many of the ministry's corporate and administrative services. Members, including the Chair, are appointed by the government. However, the Commission operates with a high degree of independence within the framework provided by the *Agricultural Land Commission Act*. The Commission has exclusive authority to make decisions within its jurisdiction and its decisions are not subject to appeal.

The Commission carries out its work within a dynamic environment involving many different interests. In order to achieve its goals, the Commission must forge effective relationships with stakeholders and participants in the process, including local governments, landowners, First Nations, non-government organizations and a number of provincial and federal ministries and agencies.

The Commission, with its partners, must respond to a number of challenges. The key strategic challenge facing the Commission is urban growth pressures, particularly within the lower mainland, increasing pressure on local governments and the Commission to allow the conversion of agricultural land for non-agricultural development. Three high-growth regions of the Province contain 81 per cent of the population; these same areas generate 81 per cent of BC's gross farm receipts.

The task of resisting growth pressure is made more difficult by events within the agricultural sector such as the restriction on beef exports to the United States. The short-term impacts of such occurrences on agricultural markets creates uncertainty among farmers and discourages investment in agriculture and agricultural infrastructure. Some farmers may choose to divest themselves from agriculture and seek to convert some or all of their land to non-farm uses.

In addition to the strategic challenges, the Commission has identified a need to:

- Build its enforcement capabilities and improve overall compliance within the Agricultural Land Reserve through partnerships with local governments and other agencies.
- Update its mapping system and application database to provide timely and accurate information to the public and to decision makers, including the Commission panels.

New Era Commitments

In 2001, the government made a number of commitments covering the whole spectrum of government business. One commitment applied specifically to the Agricultural Land Commission.

***New Era* Commitment**	**Progress**
Make the Agricultural Land Commission more regionally responsive to community needs.	Since the Commission received direction to implement this *New Era* Commitment in 2001, the following actions have been taken: • 6 regional panels were established to make decisions and increase the Commission's regional presence; • The Commission published an information kit for local governments and promoted the delegation of Commission authority to decide subdivision and non-farm use applications; • A dispute resolution process was added to the *Agricultural Land Commission Act* to assist the Commission and local governments to resolve conflicts over community interests; • Amendments to the Act enable First Nation communities to apply directly to the Commission for permissions; • The Commission published Community Planning Guidelines to assist local governments in the preparation of land use plans; and • The Commission implemented a results-based process for the placement and removal of fill and resource extraction within the ALR.

Report on Performance

Overview of Commission Goals and Linkage to Government Strategic Goals

The goals of the Commission directly further achievement of the Government's strategic goals. The following table shows the relationship between the Government's strategic goals and the goals of the Commission.

Commission Mission	
Preserve agricultural land and encourage and enable farm businesses throughout British Columbia.	
Government Strategic Goals	**Commission Goals**
1. Safe, healthy communities and a sustainable environment.	→ 1. Preservation of agricultural land.
	→ 2. A provincial agricultural land reserve system that considers community interests.
2. A strong and vibrant provincial economy.	→ 1. The encouragement and enabling of farm businesses.

Report on Results

Goal 1: Preservation of agricultural land.

The primary goal of the Agricultural Land Commission is to preserve BC's limited supply of arable land in order to provide for a safe, secure food supply and a thriving agricultural economy.

Objective 1: Lands suitable for agriculture are retained in the ALR.

Achieving this objective is critical to the goal of preserving agricultural land by ensuring that lands with potential for agriculture remain protected by the Agricultural Land Reserve. Most land excluded from ALR have limited potential for agriculture because of poor soil or because the land is compromised by existing non-agricultural development or land ownership patterns. Lands that are otherwise suitable for agriculture and merit retention may be considered for exclusion to satisfy a pressing community need that cannot be reasonably addressed any other way.

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Key Strategies

1. Adjudicate applications based on land suitability and capability for agriculture.
2. Review the suitability of ALR lands for agriculture in response to planning reviews and improved information.

Objective 2: Land use changes do not significantly diminish land capability and use for agriculture.

Achieving this objective contributes to the goal of preserving agricultural land by ensuring that land use changes occurring within or adjacent to the ALR do not impact agricultural suitability and capability.

Key Strategies

1. Adjudicate applications based on land suitability and capability for agriculture.
2. Review the suitability of ALR lands for agriculture in response to planning reviews and improved information.

Objective 3: Expansion of economic opportunities for agriculture and compatible activities.

Achieving this objective contributes to the goal of preserving agricultural land by assisting farmers and agricultural communities to capitalize on economic opportunities within the ALR that will contribute to the well-being and stability of agricultural communities.

Key Strategies

1. Consider compatible or complementary activities in the ALR.
2. Where appropriate, consider compensating benefits for agriculture when approvals are granted.

Goal 1: Performance Measures and Results

Performance Measures	2000/01 Actual	2003/04 Actual	2004/05 Target	2004/05 Actual	Variance	Target Met?
Total land in ALR	4 725 289 hectares	4 764 634 hectares	4 764 634 hectares[1]	4 764 078 hectares	-556 hectares	✓
Net changes in ALR area	4 725 289 hectares	4 764 634 hectares	<0.1 per cent change annually (4 764 hectares)	0.01 per cent change (556 hectares[2])	+4 208 hectares	✓✓
Application refusals due to anticipated significant impact	No data available	46 per cent	48 per cent	58 per cent[3]	+10 per cent	✓
Per cent yearly growth in agriculture (per cent change in cash farm receipts)	$2.22 billion *(source: Ministry of Agriculture, Food and Fisheries)*	$2.283 billion	3 per cent increase ($2.35 billion)	5.25 per cent increase ($2.403 billion)	+2.25 per cent	✓✓
Estimated number of new oil and gas wells in ALR	No data available	272 (estimated)	15 per cent increase	190 per cent increase (517 including pipelines)	+175 per cent	✓✓
Applications approved with compensating benefit	No data available	6 per cent	8 per cent	5 per cent	-3 percentage points[4]	×

Performance Analysis

1. This is a revised target. 4 750 000 hectares was the estimated size of the ALR as of April 1, 2004 at the time the 2004/05 – 2006/07 Service Plan was published. The actual size is now estimated to have been 4 764 634 hectares as of April 1, 2004.
2. A total of 1770 hectares was excluded from the ALR, 1214 hectares included, for a net change of -556 hectares.
3. Of the applications refused outright, the Commission cited impact on agriculture (i.e., the potential negative impact of the proposal on existing or possible future agricultural operations) as a reason for refusal 58 per cent of the time. In addition, the suitability and capability of the land under application was cited as a reason for refusal in 64 per cent of cases. Note that both reasons may be cited for the refusal of the same application.
4. The propriety of obtaining a compensating benefit for the approval of an application is dependent on the situation and in many cases is not appropriate. As a result, only a small percentage of applications are approved with a compensating benefit.

✓✓ Exceeded target. ✓ Achieved target. △ Target mostly achieved. × Missed target.

Goal 2: The encouragement and enabling of farm businesses.

The Agricultural Land Reserve is a working landscape on which the business of farming can take place. Through its regulatory tools and work with local governments and other agencies, the Commission plays a role in ensuring that the Agricultural Land Reserve provides a suitable business environment for agricultural activities.

Objective 1: Plans, policies and activities of local governments, agencies and First Nations encourage, enable and accommodate farming.

This objective can contribute to the encouragement and enabling of farm businesses by ensuring that land use plans, policies and regulations are conducive to agriculture.

Key Strategies

1. Distribute guidelines to local governments to guide plan development and apply guidelines to plan reviews to ensure provincial ALR interest is met.
2. Discuss potential treaty settlement lands that are in the ALR with First Nations and negotiators.

Objective 2: Improved local government capacity to plan for agriculture and support farm businesses.

Achieving this objective contributes to the goal of the encouragement and enabling of farm businesses by promoting the recognition and support of agriculture by local government necessary to maintain agricultural infrastructure and a thriving agricultural economy.

Key Strategies

1. Communicate and provide assistance to local governments on ALR regulatory changes, policies and processes.
2. Encourage local governments to include farm community representatives in planning, including their participation on Board or Council advisory committees.
3. Encourage and assist local governments in the preparation of agricultural plans.

Goal 2: Performance Measures and Results

Performance Measures	2000/01 Actual	2003/04 Actual	2004/05 Target	2004/05 Actual	Variance	Target Met?
Growth in agriculture GDP (gross domestic product)	$1.77 billion	$2.2 billion	3 per cent increase	See Performance Analysis[1]	Undetermined	Undetermined
Local government plans are consistent with provincial ALR guidelines	Not applicable	Guidelines established and distributed	70 per cent of plans are consistent	No data available[2]	Undetermined	Undetermined
Number of advisory committees with majority farm sector representation	No data available	19	21	22	+1	✓✓
Number of local government agricultural area plans	No data available	13	15	15	None	✓
Performance Analysis	1. Current and comparable information on agricultural GDP could not be obtained for this report. For a suitable proxy for measuring the encouragement and enabling of farm businesses, refer to the Per Cent Yearly Growth in Agriculture (Per Cent Change in Cash Farm Receipts) measure under Goal 1. 2. ALR and Community Planning Guidelines were released in 2004 with the intent that official community plans would be audited for consistency with the guidelines. The Commission is now reviewing changes to its practices and procedures necessary to implement the audit program.					

✓✓ Exceeded target. ✓ Achieved target. △ Target mostly achieved. × Missed target.

Goal 3: A provincial agricultural land reserve systems that considers community interests.

An agricultural land reserve system that considers community interests in additions to agricultural considerations has the potential to improve decisions by ensuring that the Commission has the information about community issues and needs necessary to tailor decisions to a community's circumstances.

Objective 1: Increased awareness of community issues within the Reserve.

Achieving this objective contributes to the goal of an agricultural land reserve system that considers community interests by ensuring that regional Commission panels spend time in communities affected by their decisions and that applicants have an opportunity to meet with the commissioners prior to a decision being made.

Key Strategies

1. Meet with local governments and stakeholders to discuss balancing community interests with preserving agricultural land.
2. Build regional responsiveness of the Commission through increased presence in the regions and meetings with applicants.

Objective 2: Community issues and needs factored into decision-making.

Achieving this objective contributes to the goal of an agricultural land reserve system that considers community interests by ensuring that the community's needs and issues are acknowledged as part of the decision-making process and are accommodated to the extent that they do not unduly compromise the goal of preserving agricultural land.

Key Strategies

1. Work with local governments to identify and address community needs, particularly through community planning.
2. Develop and apply dispute resolution processes for unresolved conflicts between the Commission and local government.

Objective 3: Increased participation of local governments and public authorities in ALR decision-making under delegated authority.

Achieving this objective contributes to the goal of an agricultural land reserve system that considers community interests by providing communities with final decision-making authority for certain types of land use and subdivision within the ALR.

Key Strategies

1. Negotiate delegation agreements in priority areas with interested and supportive local governments and public authorities.

Goal 3: Performance Measures and Results

Performance Measures	2000/01 Actual	2003/04 Actual	2004/05 Target	2004/05 Actual	Variance	Target Met?
Number of meetings with local governments and stakeholders	35	60	60	45	-15[1]	△
Per cent applications decided after site visit	51 per cent	70 per cent (estimate)	80 per cent	90 per cent	+10 per cent	✓✓
Concurrence between local government recommendations and Commission decisions	No data available	54 per cent	58 per cent	64 per cent[2]	+6 per cent	✓✓
Per cent applications approved for which community need is a factor	No data available	14 per cent	16 per cent	19 per cent	+3 per cent	✓✓
Number of delegation agreements with interested local governments	1	1	3 total	2 total	-1[3]	×
Number of delegation agreements with public authorities	0	1	2 total	1	-1[4]	×

Performance Analysis

1. Commission panels met with a significant number of local governments and stakeholders over the past three years to discuss general issues and establish familiarity. The need for meetings over the past year was more often in response to single issues; therefore, the demand for meetings with the Commission was less than targeted.
2. The 64 per cent concurrence between local government recommendations and Commission decisions applies to the total number of applications received. If applications forwarded by local governments without a comment or recommendation are considered to be consistent with the Commission's decisions, the concurrence rate would be 89 per cent.
3. The Commission implemented a delegation agreement with the Regional District of East Kootenay in 2004, in addition to an existing agreement with the Regional District of Fraser-Fort George. The Commission has been unable to identify additional local governments that are in a position to assume delegation.
4. The Commission implemented a delegation agreement with the provincial Oil and Gas Commission in 2004. The Commission has been unable to identify additional public agencies that are in a position to assume delegation.

✓✓ Exceeded target. ✓ Achieved target. △ Target mostly achieved. × Missed target.

Goal 4: Sound Governance and Organizational Excellence.

The Agricultural Land Commission is dedicated to ensuring that it operates in a transparent and accountable manner, and that it provides a high level of satisfaction to both its clients and its employees.

Objective 1: A responsive, effective and accountable Commission.

Achieving this objective contributes directly to the goal of sound governance and organizational excellence by ensuring that the Commission exhibits three highly desirable characteristics of a regulatory body.

Key Strategies

1. Reduce regulatory requirements.
2. Develop an enterprise risk management system (ERM).
3. Provide timely and efficient responses to applications and inquiries.

Objective 2: Performance focused staff.

Achieving this objective contributes to goal of sound governance and organizational excellence by ensuring that staff have the skills, training and motivation necessary to provide professional and timely service to the Commission and the public.

Key Strategies

1. Continue implementation of employee performance and development planning (EPDP) system, review results and revise as needed.

Goal 4: Performance Measures and Results

Performance Measures	2000/01 Actual	2003/04 Actual	2004/05 Target	2004/05 Actual	Variance	Target Met?
Local government survey — Commission panel structure improved responsiveness	No data available	82 per cent	84 per cent	No data available[1]	Undeter-mined	Undeter-mined
Number of regulatory requirements	900	296	≤250	221 (estimate)	-29	✓✓
Implementation of three phase Enterprise Risk Management planning	Not applicable	Initial phase: identify key risks	Initial phase continued	Initial phase continued	None	✓
Application response time (per cent of applications decided within 90 days of receipt)	48 per cent	79 per cent	80 per cent	66 per cent	-14 percentage points[2]	×
Employee Performance and Development Plans implemented	Not applicable	Fully implemented	Review and revise	Reviewed and revised	None	✓

Performance Analysis

1. Data on local government opinion regarding the responsiveness of the Commission panel structure was derived from a survey conducted in 2002. There are no plans to conduct an updated survey at this time.
2. As the following chart shows, the Commission met the 80 per cent target in three of the six panel regions and almost met the target in one region.

Panel	Percentage of Applications Processed in 90 days or Less
South Coastal	46.4 per cent
Island	84.0 per cent
Okanagan	81.1 per cent
Kootenay	78.9 per cent
North	72.3 per cent
Interior	86.7 per cent

Increased volume and a number of complex applications in the South Coastal region and the extensive travel required in the North region resulted in a lower percentage of applications being processed on target in these regions. Despite falling short of the target in three regions, the average processing time for an application was 90 days, as over 35 per cent of applications were processed within 60 days of receipt.

✓✓ Exceeded target. ✓ Achieved target. △ Target mostly achieved. × Missed target.

Deregulation

In 2001, the provincial government committed to reducing the regulatory burden by one third in order to increase British Columbia's economic and business competitiveness. The Agricultural Land Commission has surpassed the government's objectives for regulatory reform, achieving the following results:

- A 75 per cent reduction in the number of regulations administered by the Commission since 2001;
- The elimination of the Forest Land Reserve and the transfer of responsibility for the regulation of forest practices on managed private land from the Commission to a government-industry partnership known as the Private Managed Forest Land Council; and
- The Agricultural Land Reserve Subdivision, Use and Procedure Regulation was amended in 2002 to expand the range of permitted uses and to exempt certain farm and non-farm uses from the need for an application subject to the approval of the CEO of the Commission.

No further significant increases or decreases in the number of regulations administered by the Commission are anticipated.

In addition to regulatory reform, the Commission is committed to business practices that facilitate timely and appropriate decisions on applications made under the *Agricultural Land Commission Act*. To increase its responsiveness, the Commission has undertaken the following steps:

- Six regional panels were created in 2001 in order to increase interaction with applicants and stakeholders, provide the opportunity for increased regional presence, increase decision-making efficiency and increase opportunities for delegation to local governments and First Nations.
- The Commission set a performance target of deciding 80 per cent of applications within 90 days of receipt.

Report on Resources

The Agricultural Land Commission budget forms part of the budget of the Ministry of Sustainable Resource Management (MSRM). The Commission operates under a single sub-vote of MSRM as specified in the *Estimates*.

2004/05 Resource Summary

Note that the "Variance" is derived from "Actual" minus "Total Estimated".

	Estimated[1]	Other Authorizations	Total Estimated	Actual	Variance (Actual minus Total Estimated)[2]
Operating Expenses ($000)					
Total	1,957	0	1,957	1,957	0
Full-time Equivalents (Direct FTEs)					
Total	20	0	20	19	(1)
Ministry Capital Expenditures (Consolidated Revenue Fund) ($000)					
Total	50	0	50	5	(45)

[1] Estimated amounts correspond to the *Estimates* presented to the Legislature on February 17, 2004.

[2] Variance display convention has been changed this year to be consistent with the change introduced in public accounts. Variance is in all cases "Actual" minus "Total Estimates". Where the Actual is greater the Variance is displayed without brackets.